THE PROOF IS IN THE PROFITS

Cards, stationery, office supplies:

PERFORMANCE PLUS

If you think the stationery, greeting cards and home, school and office supplies business is small potatoes, take another look:

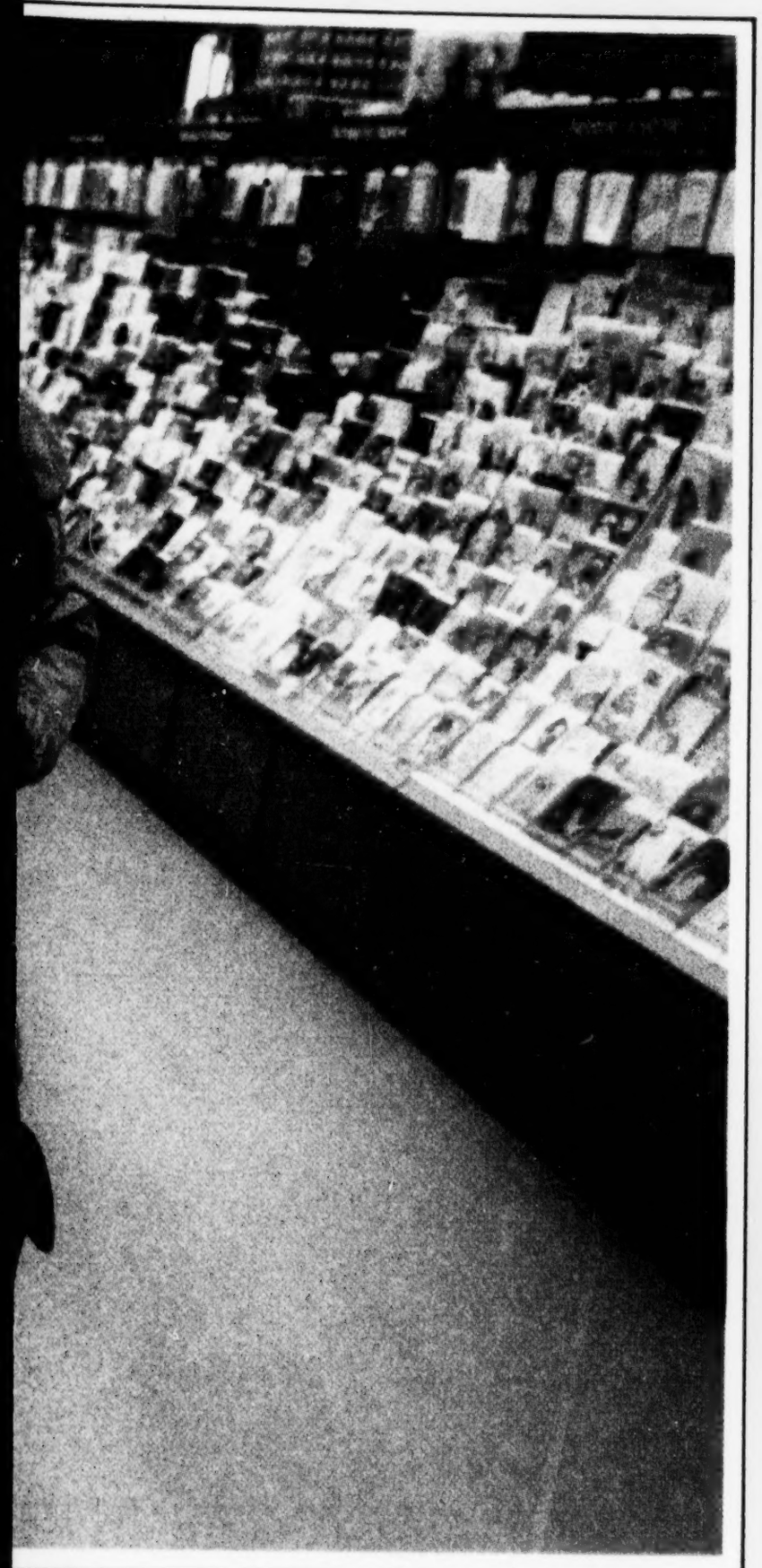
Last year Americans purchased an estimated seven billion greeting cards—the equivalent of nearly 28 cards for every man, woman and child in the country. Students of all ages used mounds of theme paper, not to mention billions of pens, pencils, erasers, scissors, and more. Office workers and professionals, often working out of their own homes, consumed tons of paper supplies, staples, clips, writing instruments and much, much more.

Add up the numbers, factor in the attractive retail margins, and the greeting card, stationery and home/office supplies market comes off looking like one of the most tantalizing supermarket and drug store general merchandise departments ever.

With annual turns averaging six to eight times and margins as high as 50%, these products are attracting more and more attention from mass market retailers seeking sure-bet traffic builders that guarantee increased sales and profits.

Research shows that in the past five years, the average supermarket has increased the size of its greeting cards department alone by 40%. In fact, more than 85% of all newly opened supermarkets now have a full-fledged greeting card department, including peripheral lines like gift wrap, party supplies and can-

THE PROOF IS IN THE PROFITS



Industrywide Seasonal Card Sales	
Christmas	3 Billion
Valentine's Day	800 Million
Easter	150 Million
Mother's Day	120 Million
Father's Day	75 Million
Graduation	65 Million
Thanksgiving	36 Million
Halloween	21 Million
St. Patrick's Day	20 Million
Grandparent's Day	10 Million
Everyday	2.5 Billion
Total	6,797,000,000

Source: National Association of Greeting Card Publishers

dles. These items, in most cases, can account for up to 30% of the department's business. Drug stores too are expanding their greeting card, stationery and home/office supplies departments to generate more traffic and greater sales by catering to the time-pressed one-stop shopper.

With more than 50% of all American women aged 19 to 59 working outside the home, it's no surprise that the greeting card, stationery and office supplies business is booming. In many instances, the greeting card or personal letter is a quick and still relatively low-priced way of expressing a personal feeling without compromising the personalized touch. Despite the recent downturn in the economy—and perhaps because of it—greeting card sales jumped a whopping 30% in 1981. Industry experts are projecting similar gains for 1982.

School, home and office supplies, once almost the exclusive domain of independent "center city" retailers, have also proven to be profit-builders when merchandised and promoted by mass market retailers who today hold the primary locations positioned closest to most home/office and school supplies customers.

The move in recent years by offices from downtown to suburban addresses, as well as the rapid growth in the number of at-home businesses, has also helped propel sales of these products.

Students, housewives, office employees and professionals—the same people who regularly shop at supermarket and drug stores—now expect to find their office supplies at a single, easy-to-reach location, rather than an off-the-road specialty store.

NOPA, the National Office Products Association, estimates that the typical "front office" employee working in America uses at least $450 worth of office supplies each year. Multiply that by the growing number of white collar or service-related workers in the country and the numbers, in terms of sales potential, are astounding.

Small businesses, many of them located in suburban shopping areas adjacent to regional or strip shopping malls, accounted for nearly three-fourths of the 13.9 million businesses operating in the United States in 1980, according to the Federal Bureau of Labor Statistics. Two years ago, these small businesses accounted for 43% of the nation's GNP, 48% of the gross business product and 58% of the national labor force.

It is precisely these small, sometimes unnoticed businesses that represent one of the fastest-growing opportunities for supermarket and drug store operators stocking expanded home/office supplies departments. Chains that act now to establish their stores as **the** office supply headquarters in their neighborhood will reap the benefits as more and more independent specialty stores go out of business.

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CHAIN STORE AGE
MERCHANDISER

Rxman advice key to allergy prep sales—

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DRUG STORE NEWS®

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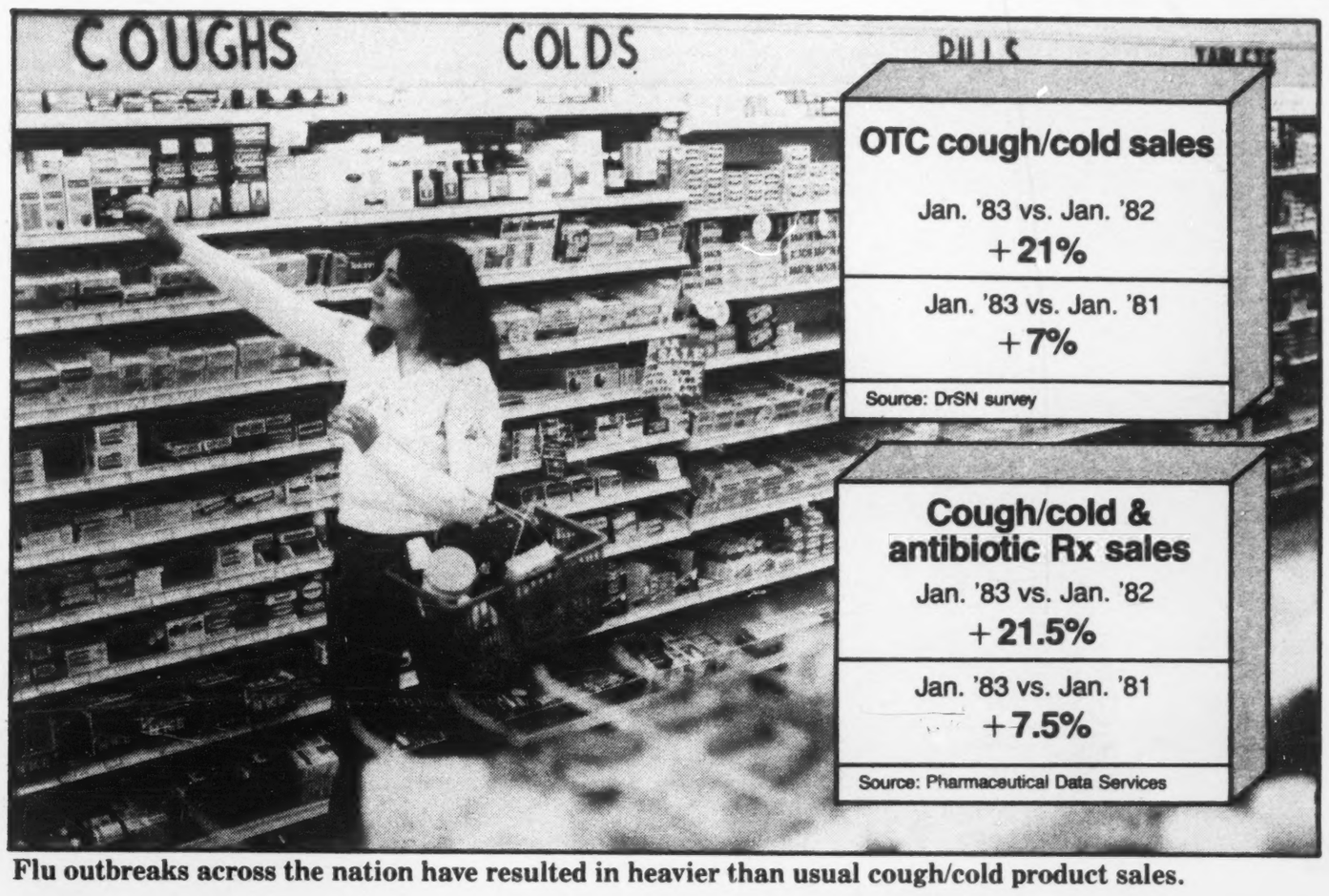

Flu outbreaks across the nation have resulted in heavier than usual cough/cold product sales.

Flu remedy sales flourish as number of snifflers mounts

NEW YORK—Drug retailers are ringing up hefty cough/cold and antibiotic sales as a result of this year's relatively severe, but late breaking flu season, following a mild winter and low flu incidence in 1981-82.

At Walgreens, for example, OTC cough/cold sales were up 23.5% in January over the same month last year, and in the first week of February sales rose 36.3% over last year.

The mild 1982 flu season inflated these percentage gains at the Deerfield, Ill.-based chain, but even when compared to the previous year, with its heavy flu outbreaks, Walgreens' January 1983 cough/cold sales were up 10.3% and first week of February sales rose 25.6%.

In 1980-81, the Center for Disease Control in Atlanta reported more flu-related deaths than in any of the previous 10 years.

According to Len Demino, vp of professional services at Alexandria, Va.-based Peoples Drug Stores, weather played a dual role in this season's sales gains. "This year's changeable weather was conducive to the flu. Our prescription and OTC sales and warehouse movement were up as a result," he said.

"In addition to the flu season growth, the horrible weather

Continued on page 47

Peoples moves full speed ahead with inventory and Rx computers

ALEXANDRIA, Va.—After several years of testing various systems, Peoples Drug Stores will proceed this year with installation of sophisticated pharmacy computer terminals in its stores, as well as a state-of-the-art computerized inventory control system in several of its distribution centers.

Self-contained Honeywell pharmacy computer terminals will be installed on a market-by-market basis over the next two years.

Software from the General Computer Corporation will allow the terminals to be upgraded in the future for various other store-level applications. They include interfacing with point-of-sale scanners, preparation of staffing schedules, and compilation of payroll, sales and inventory reports.

Peoples spokesman Joe Pollard said installation of pharmacy terminals will be gradual at first as the company concentrates on training key personnel who can teach others how to use the system. "The start-up problem with a system like this," he said, "is one of personnel and not installations. Once we have our people trained and in place, the installation process will proceed much more rapidly."

The first phase of Peoples' "Advanced Inventory Manage-

Continued on page 48

Superdrug goes public

Rite Aid sells 5 mill. shares of British co.

SHIREMANSTOWN, Pa.—Rite Aid Corp. reduced by five million shares its holding in its British affiliate Superdrug Stores P.L.C. as part of the move to turn the British H&BA chain into a public company.

"We wanted to turn it into a public company so as to better establish the value of our holdings and to be able to provide key employees with incentives such as stock options that only a public company can provide," Alex Grass, Rite Aid chairman and president, told *Drug Store News*.

Grass said Superdrug had "outstanding growth potential," a factor he said would increase the value of the 9,875,000 shares of the British chain that Rite Aid retains.

In selling the shares, the Shiresmanstown, Pa.-based drug chain reduced its stake in Superdrug from 42.5% to 28.2%.

Continued on page 48

Superdrug has 'outstanding growth potential'
—Alex Grass, Rite Aid

Pay Less' major new warehouse to handle advertising merchandise

WILSONVILLE, Ore.—Pay Less NW will break ground this summer for a 200,000-sq.-ft. distribution building which will be operational sometime in 1984.

The new structure, located a block away from the present distribution center, will be used primarily for ad merchandise.

A Pay Less exec told *Drug Store News* that "the reason the new building will be located a block away—and not contigious to the present distribution center—is that we want to save the adjoining property [450,000 sq. ft.] to expand staple merchandise."

The existing distribution center (500,000 sq. ft. of floor space plus 208,000 sq. ft. of mezzanine) now handles both staple and ad merchandise. The new building will result in an increase of warehouse-to-total-inventory tonnage beyond the present 45%.

However, Pay Less could not provide any projected percentage increases. "We are not shooting for percentages," says an exec, "but rather on an item-by-item, line-by-line, category-by-category basis."

The current distribution center became fully operational in the summer of 1980. At that time it was billed as the "largest and most complex in the chain drug industry, rivaling the ca-

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LATE NEWS

LONGS DRUG STORES reported the unaudited sales for the fiscal year ended Jan. 27 (364 days) increased 12% to $1.123 billion from $1.005 billion in fiscal 1982 (362 days). Earnings information will be available later this month. For the 91-day fourth quarter, sales rose 14% to $323 million compared to $284 million for the 89-day final period last year. During the fiscal year, Longs opened 12 new stores, six of them in the fourth quarter.

Walgreens to open 5 new stores in Denver market

By Faye Brookman

LONGMONT, Colo.—With the grand opening this week of five new stores in the greater Denver area, Walgreens is trying to do what other conventional drug chains have never been able to accomplish: Break the hold that superstore operators such as Safeway, King Soopers and Skaggs Alpha Beta have on that tough competitive market.

On March 9, the Deerfield, Ill.-based chain will celebrate the grand opening of the five new stores in areas surrounding Denver, bringing to 32 the total number of Walgreens units in the Rocky Mountain State. Four of the stores are former Sullivan stores acquired earlier this year and remerchandised to reflect Walgreens' operating strategy. The fifth is a new Walgreens outlet.

Plans aired

"The stores will be exact Walgreens prototypes," chain president Fred F. Canning said. Canning noted the Sullivan stores, which average about 10,000 sq. ft., were perfect for the Walgreens' mold.

Under the Sullivan logo, the units each averaged better than $1 million in annual sales and had script counts as high as 250 per day. Founded in 1941 by Dwight Sullivan, the company has been one of the most successful independent operators in Longmont, Loveland and Louisville, Colo. In addition to selling four of his stores to Walgreens, Sullivan sold one unit to a long-time employee.

The reason why

The strong consumer franchise developed by the Sullivan stores, plus the Walgreens image, may help Walgreens penetrate the Denver market—an area that both Eckerd and Pay Less NW's Hart Drug abandoned.

Image builder

Walgreens continues to build its presence in strong existing markets and based on market research from Walgreens, the Denver area is ripe for growth. Colorado Walgreen units will also help maximize Walgreens' newest 200,000-sq.-ft. distribution center scheduled to open this April in Flagstaff, Ariz.

— News in brief —

Stores retain Cunningham name

FORT LAUDERDALE, Fla.—The Cunningham name will remain on the seven drug stores in this area acquired in 1982 by Apex Drug. Apex president Jim Devine reported that the chain has permission from Cunningham to retain the name. "Why change a good thing?" Devine said.

However, the remaining units in Michigan have taken on the Apex Drug logo and will be given a total new look within the next few months. "We have people working to decide just what an Apex store should look like," Devine said.

Peoples income rises 16.2%

ALEXANDRIA, Va.—Peoples Drug Stores reported that net income for the first quarter ended Jan. 15 increased 16.2% to $5.2 million, or $1.03 per share, from $4.8 million or 90¢ per share, in the corresponding period last year. Sales for the quarter rose to $248.8 million, a 15.5% gain over the $215.4 million reported last year.

Begley to launch 1st jewelry store

RICHMOND, Ky.—Begley Drug will open its first free-standing jewelry store May 1 in Cynthiana, Ky. The 2,100-sq.-ft. store will be in the same shopping center as an existing Begley drug store. The jewelry store marks a departure from Begley's 16-month operation of jewelry departments in drug stores. The chain had operated jewelry departments in three Begley drug stores, but closed two, leaving the remaining department in the Lexington Mall store in Lexington, Ky.

Garrett resigns vp post at Eckerd

CLEARWATER, Fla.—Gordon Garrett, who joined Eckerd Drug Co. as vp of marketing in the fall of 1981, has resigned the post to pursue other interests, reportedly in the manufacturing field. No replacement has been announced.

Detroit Chatham-A&P merger off

DETROIT—The proposed merger between A&P and Chatham Supermarkets, designed to help both chains compete in the highly competitive Detroit area, has been called off. The plan had called for the formation of a separate corporation, with A&P owning 75% and Chatham 25%. The merger would have brought together 111 stores including the six Warehouse Way discount drug stores owned by Chatham. The deal collapsed because of differences in the operations. In addition, Allied Supermarkets had filed a lawsuit attempting to block the merger, claiming it would restrain competition and result in higher prices.

Perry breaks ground in Chicago

CHICAGO—Perry Drug Stores, intent on building its presence in Illinois, broke ground recently for a new store located on the corners of Diversey and Cicero.

Mayor Jane Byrne as well as Seymour DeKoven, vp Illinois division and Edward Heckman, district Illinois division, were on hand to mark the groundbreaking for the 12,500-sq.-ft. unit scheduled to open later this year. The Michigan-based chain currently operates 17 units in Illinois, including four in Chicago.

Revco names assistant vp of purchasing

TWINSBURG, Ohio—Revco D.S. Inc. has named Neil S. Roth as assistant vp of purchasing. In his new position, Roth will oversee the purchasing of nonpharmaceutical products for the chain's 1,639 stores in 28 states. Roth has served for four years as regional merchandise director for Eckerd Drug and five years as a buyer for Rite Aid.

Eckerd sponsors Special Olympics youths

CLEARWATER, Fla.—Eckerd Drug Co. will sponsor 400 mentally handicapped children and young adults competing to appear in the 1983 State Special Olympics Games.

The individuals will come from the 15 states where Eckerd operates drug stores

Winner of Nostalgia Quiz #19 chosen

Karen Van Der Meid of Hook Drug, Indianapolis, Ind., is the winner of $100 in *Drug Store News'* Nostalgia Quiz #19. The correct answer was Fred F. Canning of the Walgreen Co. Nostalgia Quiz #22 can be found on page 35 of this issue.

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Vol. 5, No. 5 March 7, 1983

Turley tells NACDS manpower to become problem of the future

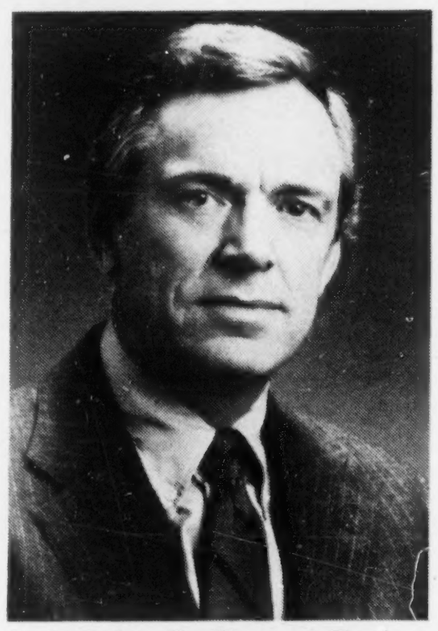
ST. PETERSBURG, Fla.—A shortage of pharmacists and other specially trained employees is likely to be among the leading problems facing chain drug retailers in the coming years, according to Stewart Turley, chairman and president of the Jack Eckerd Corp.

Turley made those observations at the NACDS Human Resources Conference.

"Today chain drug management faces the continuing challenge of relating day-to-day operations of the business to the future and of identifying where the company is going rather than where it has been," he said.

That means managers will have to determine what skills and abilities will be important to the chains' work forces and how to recruit the people who have them, he said.

"The shortage of pharmacists in retail pharmacy is due to the



Jack Eckerd's Stewart Turley: Fewer people seeking jobs will have the specialized skills that chain drug companies need.

controlled enrollment practices of pharmacy schools and to the change in the pharmacy program from a five-year to a six-year course of study. To demonstrate the impact of this change on the pharmacist population, it may be noted that when a pharmacy school adopts the doctor of pharmacy as the basic degree, there will be no pharmacists graduating one year as those who would have graduated that year will have only completed five of their six years of study," Turley said.

While thousands of individuals will become available for retail employment as the nation changes from an industrial economy to one based on technology and service, Turley said a smaller percentage of the people seeking employment will have the specialized skills for which chain drug companies will be recruiting.

"Educational institutions are not expected to meet industry's demand for a skilled data pro-

Continued on page 48

Vendors huddle on TRP issue

NEW YORK—Tamper-resistant packaging surfaced as a major concern among wholesalers planning to attend the National Wholesale Druggists' Association marketing conference in New Orleans Feb. 27-April 3.

Suppliers' service levels and marketing programs, as well as wholesalers' legislative efforts were other areas of interest to middlemen interviewed.

"Our greatest area of concern centers on tamper-resistant packaging," said Melvyn Zahn, chairman of the board at Chicago-based Louis Zahn.

Although they haven't had problems so far, all wholesalers interviewed told *Drug Store News* they are waiting to see how suppliers are going to handle the next phase of tamper-resistant packaging. Their concern focused on the return of unsalable merchandise.

"We want a low-key approach toward consumer promotion of tamper-resistant packaging," Zahn said.

The wholesalers' concern is obvious: Consumers won't purchase products in nontamper-resistant packages if a media blitz significantly increases their awareness of more securely packaged products.

"Consumers will resist purchasing all products packaged in nontamper-resistant containers," Eugene Vykukal, president and chief executive officer of Southwestern Drug

Continued on page 48

Small chain meet highlights Ribordy

NEW ORLEANS—An inside look at the Ribordy distribution center, the proper merchandising mix of private label products, and personnel training through video tapes are among the subjects at the four-day NACDS Small Chain Conference being held here this week.

Denis Ribordy

John Haronian

Bill Wood

Denis Ribordy, president and general manager of Ribordy Drugs and his two associates, Bill Ausenbaugh (executive vp and marketing manager) and Joe Alegretti (chain treasurer and secretary) will give chain representatives a look at the Ribordy Distribution Center.

In a Skaggs Telecommunications Service seminar, Lester Wells, director of sales and marketing, and Roger Olsen, director of corporate/industrial relations, will discuss personnel training through the use of generic video training aides.

Private label programs and how to tailor the proper merchandising mix for a small chain will be the topic of discussion for Thayer Pharmacies' Jeff Rose, president, treasurer and ceo, and Dave Morocco, vp of advertising and purchasing.

In addition, a panel consisting of John Haronian, chairman of the board, president and treasurer of Douglas Drug; Bill Wood, vp and general manager at Wellby Super Drug Stores, and Bill Welsch, NACDS vp and secretary, will explain the use of the NACDS PAR report and the Lilly Digest to the conference attendees.

Bill's 'bargains' yield 34% profit

SAN LEANDRO, Calif.—In today's highly competitive promotional climate, where the pressure for low-price image is ever-present, the permanent endcap is a rarity. And when it is used, it must deliver high value and high gross dollars.

The Bargain Basket endcap at Bill's Drug has earned "permanent" status since mid-November because the 10 different canned fish and pineapple items offer the following:

—Value—prices lower than a supermarket.
—Good sales—50 cases a month.
—High gross margins—34%.
—Low maintenance costs—the service supplier who provided the natural wood-look fixture (33-case capacity) does it all: orders, prices, stocks and signs.

Says Earl Hagar, store manager: "At these prices and margins, we cannot carry national brands, but where else can you buy a can of crab at $1.89 or a can of chunk white tuna for 79¢?"

Best sellers are sardines and crushed pineapple.

PHARMACY

Ampicillin/amoxicillin market trends, March 1981 to December 1982

Drug Description	Manufacturer	% Retail market share Rxs 12/82	% Retail market share Rxs 3/81	% Refills 12/82	Average price 12/82	Average price 3/81	% Retail margin 12/82	% Retail margin 3/81
Amoxil susp. 250mg	Beecham	11.0	6.8	6.4	8.31	8.65	38	41
Amoxil susp. 125mg	Beecham	10.2	6.3	5.8	6.08	6.34	52	52
Amoxil 250mg	Beecham	8.2	5.8	10.7	7.80	8.04	45	44
Omnipen 250mg	Wyeth	5.0	4.8	17.3	6.01	6.44	55	53
Omnipen 500mg	Wyeth	4.3	3.8	16.6	8.21	8.59	42	43
Amoxil 500mg	Beecham	3.3	2.2	12.0	11.61	11.51	31	35
Larotid susp 250mg	Roche	3.0	4.2	7.2	8.33	6.70	40	56
Amcill 250mg	P.D.	2.9	5.1	17.1	5.98	6.20	56	56
SK-Ampicillin 250mg	SKF	2.9	2.3	13.9	5.09	5.18	65	68
SK-Ampicillin 500mg	SKF	2.4	2.3	13.1	7.13	6.92	50	55
Larotid susp 125mg	Roche	2.4	4.2	7.6	6.70	5.18	52	68
Spectrobid 400mg	Roerig	2.2	—	12.9	15.94	—	27	—
Amcill 500mg	P.D.	2.2	3.2	17.4	8.36	8.26	43	44
Omnipen sol. 250mg	Wyeth	2.2	3.2	11.2	7.23	6.38	47	53
Larotid 250mg	Roche	2.2	3.8	14.1	8.00	6.17	45	61
Ampicillin 250mg	Generic*	2.0	1.3	13.4	4.81	5.17	58	66
Wymox susp. 250mg	Wyeth	1.9	—	7.0	9.58	—	29	—
Totacillin 250mg	Beecham	1.8	—	15.8	6.56	—	46	—
Amoxicillin 250mg	Generic*	1.7	—	15.8	8.10	—	33	—
Ampicillin 500mg	Generic*	1.5	—	13.9	7.38	—	52	—
Omnipen sol. 125mg	Wyeth	1.5	1.9	9.9	5.71	5.25	60	64
Wymox 250mg	Wyeth	1.4	—	13.0	8.78	—	36	—
Totacillin 250mg	Beecham	1.3	—	13.6	9.49	—	31	—
Larotid 500mg	Roche	1.0	1.1	13.9	11.53	8.21	33	47
Amcill susp. 250mg	P.D.	0.9	2.3	8.3	8.00	7.92	42	44
Top 25		79.1	75.7**	11.2	7.74	7.13**	43	50**
Other		20.9	24.3	9.3	7.60	7.38	38	46
Total		100.0	100.0	10.8	7.71	7.19	42	49

*Includes prescriptions from other than nationally promoted brands

**Includes the entire top 25 for this period

Source: Decision Data

Market shifts toward amoxicillin

ARLINGTON, Tex.—The amoxicillin/ampicillin market has seen significant shifts in the drug and product choice over the past 21 months for two reasons: (1) physician prescribing habits have switched from ampicillin to amoxicillin and (2) Roche's sale of its top amoxicillin product to Beecham was preceded by a de-emphasis of marketing efforts behind the product.

The big gainer as a result of these changes has been Beecham, which picked up 15 share points over the 21-month prescription audit period between March 1981 and December 1982.

Meanwhile, firms marketing ampicillin have faced a two-pronged problem: Ampicillin did not grow at the same rate as the entire market, and generic competitors became very price competitive.

These were the main findings of a survey conducted by the Arlington, Tex.-based firm, Decision Data. Other noteworthy developments include retailer margin declines, growth of generic competition, and new listing among the top 25 products.

Retailers' margins for products in the amoxicillin/ampicillin market declined for 15 of the top products in the market. The average margin for the top 25 products has fallen from 50% to 43% since March 1981. Although March 1981 figures aren't directly comparable to those for December 1982, overall trends still point out some interesting developments in the

Continued on page 13

Special packaging report

Chain problems: what to do with new-sized packages, old stock

NEW YORK—As the first tamper-resistant packaging deadline passed on Feb. 7, retailers were faced with two problems: (1) what to do about the new packages that don't fit into the old merchandising lineups and (2) how to dispose of the older, nontamper resistant packages on the shelves.

Peoples' vp of advertising and public relations, Joe Pollard, explained that consumers have no complaints about the TR packages yet, but there was a merchandising problem with one new package type.

"The Bristol-Myers flip-top can buys them some more real estate," Pollard explained. "If the products sell at a better rate, we'll let it ride, but we may have to cut out some facings if they don't move well."

The Bristol-Myers "can" Pollard referred to is used for Excedrin, Datril and Bufferin. It is a flip-top can which contains the traditional plastic bottle of

Continued on page 14

Three different approaches to the F.D.A. tamper-resistant packaging requirements shown here are: (top left) Bristol-Myers flip-top canister (top right), McNeil's triple-sealed Tylenol capsules and (bottom) Plough's package for the St. Joseph's Aspirin-Free tablets, a blister pack with foil backing and glued end flaps.

Longer Rx patents benefit more than just vendors

Research-intense drug companies are expected to lobby hard for passage of a bill that would extend patent protection for pharmaceuticals to a full 17 years. A 17-year period represents the time intended to provide incentives for inventors when the law was first passed by Congress.

These laws were passed in an era long before Government regulations, so the law's authors never could have anticipated the amount of time removed from a drug product's useful patent life. Now inventors must patiently wait for premarketing approval from the Government as the patent clock cuts short a product's useful life.

It's a simple mathematical fact that when a drug approval takes three to seven years, only 10 to 14 years remain for investors to recoup their capital and obtain a return (profit).

After a drug goes off patent, the market shifts. The prescription product is then available from a variety of suppliers, and it becomes a multisource commodity bought, in some cases, from the lowest bidder.

Nothing wrong with shorter patent periods, you say? In the short term that opinion might be true, but in the long term it could prove disastrous for international trade, inflation and consumers.

Unfortunately, amid all the rhetoric a few facts never seem to be mentioned. For example, investors have less and less time to obtain acceptable levels of return as patent protection periods shorten.

Joseph Caputo, RPh
Pharmaceutical Editor

That means there is less incentive for firms to invest in research and development for future products. Without such investment, America can say good-bye to yet another industry which is a contributor to the economy. It's unfortunate, because this is one of the few industries left which provides positive foreign exchange credits for America. (That's the money used to buy commodities like oil from other countries.)

It is also interesting to note that other developed countries like Japan, West Germany, England, France, Switzerland have highly developed pharmaceutical industries that are just waiting to fill the void created by R&D cutbacks by American firms.

These savvy traders know that a positive trade surplus cuts inflation and provides capital for internal and/or external investment.

So much for international finance and economics. Let's take a look at what rejection of patent reform means to consumers.

As industry product planners strive to meet their return-on-investment objectives, it means prices of new products (and for that matter other products, too) must climb. This fact is obvious when the prices of new pharmaceuticals are analyzed.

Rather than obtaining a targeted return spread out over 17 years, managers must strive for the same return more quickly, i.e., three to seven years. Hence the steep prices of most new prescription drugs. Managers must obtain a payoff before the market for a new drug becomes price-oriented.

So what on the surface seems like a straightforward issue—patent reform—takes on added dimensions. Rejection of patent reform would negatively impact on international trade, worsen inflation and create a deteriorating medical situation here at home: Only the wealthy could afford to pay for new pharmaceutical products.

PHARMACY

Child-proof caps: Elderly have hard time too

NEW YORK—Although tamper-resistant packaging (TRP) is the hottest issue in packaging for the 1980's, pharmacists must also be aware of some other important packaging requirements.

The Poison Prevention Packaging Act of 1970 (PPPA), requiring safety packaging is one of these vital packaging regulations.

Specifically, the PPPA was intended to reduce poisonings among small children. The safety packages are required for household products or drugs that are hazardous. They must be packed so most children (80%) under 5 years old cannot open them. At the same time, the act states packages must allow access to at least 90% of all adults.

A problem with this law, though, as well as the new TRP regulations, is that many elderly and handicapped people cannot open the new packages either. These patients simply can't get to the drugs.

One chain spokesman said he thought the reaction to this problem was overstated. He felt patients will deal with the new TRP the same way they deal with the childproof closures when they first came out.

At another chain, a spokesman explained that store personnel will extend the same services to consumers who have difficulty opening the packages as they do when patients have a tough time getting into the childproof caps. "We have a clerk or pharmacist open the package, or in this case, break the seal, before the customer leaves the store."

Since, in fact, fewer than 90% of all adults can open the childproof containers, some exceptions were made in the PPPA. The law allows two ways to provide easy-to-open packages for elderly or handicapped patients who cannot open the safety closures.

A manufacturer can market one size of the product in conventional packaging if a popular size of the same product is on the market in safety packaging. However, in these exceptions, the label must clearly state: *This package is for households without young children.*

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The prescribing physician or consumer may request that prescription medicines be put into ordinary packaging without safety features. Although some pharmacists may ask for a written statement from a purchaser before providing a conventional closure, this is not a requirement of the Federal law.

Pharmacists may post a sign to inform consumers of the availability of these easy-to-open packages, but the ultimate choice is left with the consumer.

For prescription drugs, a new safety closure package must be used each time a prescription is refilled to insure the effectiveness of the seal. If glass containers are used, however, only the cap must be replaced with each refill.

Drugs included under the PPPA and requiring safety packaging are:

—Human prescription drugs in oral dosage forms.

—All controlled drugs in dosage forms intended for oral administration.

—Aspirin products, except for certain effervescent and powder forms.

—Methyl salicylate (oil of wintergreen).

—Iron-containing preparations (including dietary supplements).

—Acetaminophen products (aspirin substitutes).

Certain drugs, such as isosorbide dinitrate and nitroglycerin, are exempted from the package requirements, since patients need rapid access to these medications.

In addition to drugs included under the PPPA, some other common items on drug store shelves are also required to have the safety closure packaging. These products include:

—Certain furniture polishes.

—Preparations containing potassium and/or sodium hydroxide (certain oven and drain cleaners).

—Turpentine.

—Kindling and illuminating fluids (cigarette and charcoal lighter fluids).

—Sulfuric acid.

—Ethylene glycol (antifreeze).

—Paint solvents.

Market shifts to amoxicillin

Continued from page 12

market.

Prices for eight of the top products declined in the 21 months since March 1981, a reflection of increased competition. But at the same time the category's average script price rose 70¢.

Generic forms of ampicillin 250mg and 500mg capsules, and amoxicillin 250mg capsules were all dispensed more frequently during the audit period. As a result, generic ampicillin/amoxicillin garnered 5.2 share points and placed 16th, 19th, and 20th among the top 25 rankings.

In a somewhat uncharacteristic development, generic amoxicillin 250mg caps cost consumers more per script and returned lower per cent margins to retailers than the leading comparable branded item. For example, generic amoxicillin 250mg caps retailed for $8.10 per script and returned a 33% margin. But Beecham's product averaged $7.80 per script and returned a 45% margin to retailers.

Despite the average price increases for the top 25 products as well as for the overall market, brand name products continue to dominate this market category. Branded items captured a 73.2% share of amoxicillin/ampicillin market.

The survey also revealed some new entrants to the top 25 list. Among those products were Spectrobid (Roerig), Wymox (Wyeth), and Totacillin (Beecham).

Chlamydia test to be marketed

NEW YORK—Chlamydia, one of the most prevalent hard to detect sexually transmitted diseases, will be diagnosed more accurately in the future.

The new test is said to identify 28% more positive specimens of chlamydia than conventional culture tests. As an added bonus the test is faster: it can be performed in one-third the time needed for standard tests.

Syva, a diagnostics subsidiary of Syntex Corp., will market the test.

When customers ask what they should use for cold sores, suggest
Herpecin-L®
Cold Sore Lip Balm. *"It Works!"*
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NEW! Clean Sights from Blairex.

Because there's a hundred million dirty glasses you should look into.

Almost half the people in this country wear glasses or sunglasses at one time or another. That's over a hundred million pairs that get dirty every day.

Until now, most people used a tissue cleaner that was often ineffective and could not be used on popular plastic lenses.

Now there's new Clean Sights from Blairex. The handy disposable towlette with a liquid solvent inside that easily wipes away oil, fingerprints, even caked-on spots. And it doesn't scratch. Even plastic.

Clean Sights are attractively packaged in 12-count packs, ready for stacking or racking. The eye-catching display which holds six 12-count packs is sure to generate impulse sales at your check-out counters. Place your order today. There's a hundred million reasons why. Once people try them, Clean Sights sell themselves. They're that much better.

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